

**DRAFT Action/Summary minutes**  
**Regular Sedona City Council Meeting**  
**City Council Chambers, Sedona City Hall, Sedona, AZ**  
**Tuesday, April 27, 2010, 4:30 p.m.**

1. **Call to Order/Pledge of Allegiance:** Mayor Adams called the meeting to order at 4:30 p.m.  
➤ **Reading of City's Vision Statement:** Councilor DiNunzio read the Vision Statement.
2. **Roll Call:** Mayor Rob Adams, Vice Mayor Cliff Hamilton, Councilor Nancy Scagnelli, Councilor Mark DiNunzio, Councilor Jerry Frey and Councilor Pud Colquitt. Councilor Dan Surber was excused.

**Staff present:** City Manager Tim Ernster, Assistant City Manager Alison Zelms, Administrative Services Director Andi Welsh, City Attorney Mike Goimarac, Interim Police Chief Jim Driscoll, Associate Engineer Andy Dickey, Finance Operations Manager Barbara Ashley, Financial Services Supervisor Abbie Hernandez, Director of Community Development John O'Brien, Assistant Engineer David Peck, Commander Ron Wheeler, Director of Human Resources Tori Ward, Streets Superintendent Dan Neimy, Development Services Supervisor Jim Windham, City Clerk Randy Reed and Recording Secretary Alison Carney.

3. **Summary of Current Events by Mayor/Council/City Manager.**

Mayor Adams stated Earth Day was a great event. Also on April 17 there was a Red Rock State Park fundraiser. That also was a great event. On April 22 the Birding Festival opened at Dead Horse State Park. On April 28 Coconino County will give a briefing of their financial situation. There's one here in the Chambers at 5:30 p.m. On April 30 he'll do a ribbon cutting at the Hummingbird House. On May 6 there will be a national day of prayer in the courtyard.

*No legal action was taken.*

4. **Reports and discussion on Council assignments.**

Vice Mayor Hamilton stated Parks & Recreation Commission met last night and discussed alcohol in the parks, which will come to Council in June.

Mayor Adams stated on April 21, we had the NAIPTA board meeting. On April 22 NACOG met. The membership assessment for cities will remain at last year's level. On April 23, Gerhard Mayer was unanimously chosen to be recommended to Council to be the next Parks & Recreation commissioner. April 28 at 8 a.m. at the Library the Substance Abuse Coalition will meet. On May 4, 6 and 7 we'll have budget hearings in the Vultee from 2:30 p.m. Those are always exciting. On May 11 at 4 p.m. in the Chambers there will be a party for outgoing Council members.

*No legal action was taken.*

5. **Public Forum: Limit of three minutes per presentation. This is a time for the public to comment. Council Members may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. 38-431.01(G), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism, or scheduling the matter for further consideration and decision at a later date.**

William Maxwell, Sedona, stated he's been a resident for 33 years. He caught in the newspaper that the City is dismissing officers. He has some concerns he wants to voice. He knows we're in a down-turning economy. When you have a down turn in the economy you have people who make poor choices. They do things they wouldn't normally have done on a different day. He wonders why we'd be lowering our police force at a time when crime might be going up.

Jacqueline McQuaid, Cottonwood, President of the Sedona Law Enforcement Association. It's her duty to protect and serve the citizens of Sedona. Sergeant Zanot and Spokes spent two decades serving this community. An example is when Sergeant Spokes was run over by a pick-up truck when suspects were trying to flee. He was instrumental in bringing a suspect in the Birkner murders. He was involved in the investigation that seized \$1.6 million. Sergeant Zanot was the first hired police officer for the city. He was the school resource officer and a mentor to children. He was a firearms instructor. How do we reward these men with a call in the morning? No check, no chance to leave with pride and respect. Were these men treated fairly? Don't try to better yourself much or you'll get fired because you cost too much. They were told don't come to work tomorrow. Would you want to be treated this way for your dedication? We put money ahead of our core values and protection of the community. Their job was to protect the public and they made a difference in the community. Before these lay-offs the police department had already given up so much. We gave back three half time civilian positions. We modified patrol schedules to eliminate overtime. Cutting police positions puts the community at risk. We were told there's a possibility of losing two more police officers. Public safety has to come first.

Philip Vickers, Sedona, stated the police department is overstaffed particularly in the area of patrol. Patrol operates 24 hours every day. To cover one day we have three officers working 10 hour shifts, that's 30 hours. By moving our patrol officers to a five day work week we save the city thousands of dollars. He brought this to the attention of the city manager; he told Phillip it'd be referred to the attention of the police chief. He thinks Tim should look into it and not defer it to a union man. He asks the city to go to money-purchase pension plans. We don't have the money to fund these ridiculous plans.

Walt Spokes, stated he's a 19 year resident. He was employed by the city for 19 years. Sergeant Zanot and I were laid off on April 19. He originally was going to talk about how the decision was unjust and unfair and it was made by two people who really don't know.

Interim chief drives to Flagstaff, the city manager has been here six months and will probably move on in a few years as his resume suggests. He's been here through four city managers. Being laid-off has been the most dramatic event in his career. He was called at home at 6 a.m. on his day off, told to meet with Driscoll at 7 a.m. and was terminated by 7:05 a.m. He stuck with Sedona during the early years living on \$10/hour. He invested in Sedona by not only working hard, going back to college, getting a bachelor's degree and becoming a member of this community. When a police officer retires he is given a retiree badge, he asks Council consider this for he and Sergeant Zanot. Last night he got a call that a former officer from this department is in ICU in Flagstaff because of an on-the-job injury. Look into the management of the police department and make sure things are done the right way.

Bill Gunning, Sedona, read his letter: *"I have personally witnessed both the creation of our city and the progress of the Sedona Wastewater System since its inception. The formation of the Sedona Sewer Improvement District started with several meetings that were open to the public. As I was interested in those proceedings, I attended most of the meetings. It was a curious feeling to attend a sewer ideas meeting and find myself the only member of the public in attendance. Fortunately, the newly formed Commission welcomed my presence and encouraged me to participate. Some of the concerns addressed by me were: 1. Size of property lots: If all the houses in Sedona had been built on land parcels of two acres or more, we would have been able to avoid the need of building a community sewer system to service single family homes. To control future sewer costs, homes that are built on two acre or larger lots need not be tied into the city's sewer system. 2. Wastewater dispersal: Initially, the Forest Service asked for an allotment of treated wastewater for their use. They wanted to establish a permanent greenway in a dry arroyo near the sewer plant. This corridor was to have been for creating a permanent wildlife enhancement area. The city would have had to commit to a perpetual release of treated wastewater to the Forest Service. This was a good idea. If the NSA is passed by Congress, we should ask the Forest Service for new ideas and proposals concerning the utilizing our city's wastewater effluent. 3. Deep trenching and gravity flow systems: The city should consider deep trenching the sewer pipes to the sewer plant. If possible and practical, this would eliminate both the expensive pumps at the Carol Canyon site and the large electricity costs associated with moving fluids from Carol Canyon to the city's Wastewater Treatment Plant. It may be time for the city to reconsider one or all of these ideas. Thank you for your time."*

Patty Falsetto, Sedona, stated she's taught in this community for 33 years. She's here to ask for Council's help because she's scared. She teaches school to children that are 5-6 years old and she tells them police officers are their friends. Sedona's going through a very trying time. Our children need these officers. They need to know that someone out in the community knows them. She has a son who's 26 years old, he's ADA. Raising her son on her own she needed the officers' help. Sergeant Spokes and Zanot would see my son out and talk to him. Recently my sons got into a big fight. My younger son was way out of control because of alcohol. Three officers arrived at 3:00 a.m. One officer who's been on your force for five years kept badgering me for my older son's address. Officer

Zanot has known my children all their lives. The officer that was there antagonized the situation. If Officer Zanot knows how to calm our kids down. Sergeant Spokes is there to help our kids. Please don't let them go, we need them.

John Stair, Vice President of the Arizona Conference of Police and Sheriffs, Phoenix, AZCOPS represents over 8,000 officers. We're proud to support the Sedona law enforcement. The primary purpose for government is to protect its people. AZCOPS thinks the action of the city manager should be reviewed and you all have the right to do that. The citizens have the right to know and the right to influence elected officials on these decisions. Unfortunately for the citizens the city manager has already acted. All over the state citizens are telling elected officials not to cut safety officers. Your city has already spent a lot of money on training. Normally during a reduction in force those with the least amount of experience are the first to lay-off. Sedona still has a cadet in the academy and instead they lay off a 19-year employee.

Karl Wiseman, Sedona, stated he's a 30-year resident of Sedona. He's a real estate appraiser. He's appraised many businesses and many homes in this town. He has a real good sense of value. In looking at last week's paper, the front page had the article about the dismissal of Officer Zanot and Spokes. He also read that there were five members of the public who came to the meet and greet of the police chief applicants. He doesn't know these gentlemen personally, but he knows of them. What's going on with our human resources, why weren't these guys offered the position for police chief?

Dave Zanot, Clarkdale, prior to April 9 he was a 21.5 year employee of the city. He was proud to serve the city and live up to the core values of the city. What happened to him on April 9 and Sergeant Spokes was 100% as far opposed to the city values as you could possibly be. Council has the opportunity to look at this and re-evaluate it. His passion is kids, the youth and education of anybody that he can educate. He loves teaching at the police academy. That was all taken away from him in a five-minute meeting. This city provided food on my table for 21.5 years then one day it was taken away from me. Right now after 21.5 years he can't say that he retired from the Sedona Police Department. He was terminated because of economic cutbacks and reorganization. He hopes and prays that you take this opportunity and recognize that a horrible wrong was done and do what you can do as a council and correct what was done.

Kevin Ahern, Sedona, Sergeant with Sedona Police Department. He's been with the city for 15 years and he questions a lot of things now. He fears for his job now. A lot of officers fear for their job. There's no fairness. The city manager position is at will, that shouldn't be everyone else's standard. The loss of two sergeants puts a lot of burden on the two that are left. Supervisors shouldn't have to do officer jobs. He's helped develop a volunteer program. Today we have volunteers transporting felons. It's atrocious. He did what he was told to do. We occasionally have volunteers pick up criminals in Phoenix. They have no formal training. It's a liability. It's going to come back to the city to bite you. He was here three months ago when Tim Ernster asked you what's the point of

having a reserve fund if you're not going to use it. We're going to give our K-9 dog a proper farewell and we didn't even give that to the sergeants.

Ed Mezulis, Camp Verde, firefighter for the past 10 years, representing the Verde Valley Fire Association. He knows Sedona police officers well. Despite the belief that Sedona is a sleepy hollow with nothing going on, we have drug related, domestic violence related, they keep us safe. We have professionals to create an organization and staff it properly. The city manager ought to have a sit down with those folks before the decisions go further. He's shocked by this. These are the only two officers in Arizona that have been terminated. Folks have been able to manage their organizations and keep people safe. It's also for the safety of the firefighters. When 9-1-1 is called it's often a partnership with firefighters and police officers. Please review this situation and make sure decisions are being made properly.

*Mayor Adams closed the public forum at 5:13 p.m.*

*No legal action was taken.*

## **6. Awards and Proclamations:**

### **a. Awards:**

#### **(i.) Presentation of a plaque to Ned Isom for his service to the Parks and Recreation Commission.**

Andi Welsh stated we're recognizing Ned Isom for his service to the city. She's worked with Ned for the past two years. He used to be a part-time Parks & Recreation employee.

Mayor Adams stated he appreciates citizens that step up. We have over 200 volunteers that help us operate. He presented the plaque to William (Ned) Isom.

Ned Isom stated he enjoyed the seven years he's been on the commission. It's good to see people participating; some of the things you do say get passed on.

### **b. Proclamations:**

#### **(i.) Teen Challenge of Sedona Day**

Mayor Adams read the proclamation: *Whereas, Teen Challenge of Arizona has helped to make a difference in thousands of lives in Arizona for over 40 years; and Whereas, the goals of Teen Challenge are to assist and rehabilitate those suffering from life-controlling addictions; and Whereas, the results of Teen Challenge continue to be outstanding with a documented success of eighty-six percent of the clients who complete the Teen Challenge program becoming drug-free, productive members of our community, now, therefore, I, Rob Adams, Mayor of the City of*

*Sedona, Arizona, on behalf of the Sedona City Council, do hereby proclaim May 1, 2010 as "Teen Challenge of Sedona Day."*

Josh McLeod thanked Sedona for recognizing Teen Challenge be a positive part of the society. Substance abuse is a constant battle happening all over the country.

**(ii.) Silver Star Service Banner Day**

Mayor Adams read the proclamation: *Whereas, the City of Sedona has always honored the sacrifices of the men and women in the Armed Forces; and Whereas, The Silver Star Families of America was formed to make sure we remember the blood sacrifice of our wounded, ill and injured by designing and manufacturing a Silver Star Service Banner and Flag; and Whereas, to date, The Silver Star Families of America has freely given thousands of Silver Star Service Banners to the wounded and their families; and Whereas, the members of The Silver Star Families of America have worked tirelessly to provide the wounded of this City and Country with Silver Star Service Banners, Flags and care packages; and Whereas, The Silver Star Families of America's sole mission is that every time someone sees a Silver Star Service Banner in a window or a Silver Star Service Flag flying, that people remember the sacrifices for this City, State and Nation; and Whereas, the people and Mayor of Sedona wish that the sacrifice of so many in our Armed Forces never be forgotten, now, therefore, I, Rob Adams, Mayor of the City of Sedona, do hereby proclaim May 1, 2010 as Silver Star Service Banner Day in the City of Sedona to show appreciation for and honor the wounded, ill and injured troops and veterans of the City of Sedona.*

**(iii.) Youth Week Proclamation**

Mayor Adams read the proclamation: *Whereas, the Benevolent and Protective Order of Elks has designated the first week in May as Youth Week to honor America's junior citizens for their accomplishments, and to give fitting recognition of their services to community, state, and nation; and Whereas, Sedona Elks Lodge #2291 will sponsor an observance during that week to tribute the junior citizens of our community; and Whereas, no event could be more deserving of our support and participation than one dedicated to our young people, who represent the nation's greatest resource, and who in the years ahead will assume the responsibility for the advancement of our free society; and Whereas, our youth need the guidance, inspiration, and encouragement that we alone can give in order to help develop the qualities of character essential for future leadership and to go forth to serve America; and Whereas, to achieve this worthy objective, we should demonstrate our partnership with youth, our understanding of their hopes and aspirations, and a sincere willingness to help prepare them in every way for the responsibilities and opportunities of citizenship, now, therefore, I, Rob Adams, Mayor of the City of Sedona, Arizona, on behalf of the Sedona City Council, do hereby proclaim the first week in May as Youth Week, and urge all departments of government, civic, tribal and patriotic groups, and all citizens generally to participate wholeheartedly in this observance.*

***Motion: Vice Mayor Hamilton moved to approve the awards and proclamations. Seconded by Councilor DiNunzio. Vote: Motion carries unanimously with six (6) in favor and zero (0) opposed.***

- 7. Consent Items:** The consent portion of the agenda is a means of expediting routine matters that must be acted on by the Council. All items approved will be done by one non-debatable motion passed unanimously. Any member of the Council, staff or public may remove any item for debate. Items removed from the consent portion may be acted upon before proceeding to the next agenda item.

**(1) Approval of Minutes:**

- i. April 13, 2010

**(2) Liquor License(s):**

- i. **Approval of an application for a Special Event Liquor License for the Verde Valley Medical Center for a June 5, 2010 Fundraising event at the Tlaquepaque Arts and Crafts Village located at 336 State Route 179.**
- ii. **Approval of an application for a new Series 12 Restaurant Liquor License and Interim permit for the Secret Garden Cafe located at 336 State Route 179 Suite F101, License # 12033285.**
- (3) Approval to receive a Governor's Office of Highway Safety Grant 2010-AL-002 award of \$12,549.83 for 31 portable breath tests and 2,000 mouthpieces for alcohol testing and signature on agreement.**
- (4) Approval to receive Governor's Office of Highway Safety Grant 2010-HVE-001 award of \$2,906 for compensation of overtime for officers participating in Impaired Driver Detection Details.**
- (5) Approval to receive Governor's Office of Highway Safety Grant 2010-PT-025 award of \$25,000 for one fully equipped Honda ST1300 motorcycle for the Selective Traffic Enforcement Program.**
- (6) Approval to receive Bulletproof Vest Partnership Grant Award in the amount of \$8,400 to replace ballistic vests for officers over the next five years.**
- (7) Approval of an amendment to City of Sedona Email Retention Policy.**

***Motion: Vice Mayor Hamilton moved to approve the Consent Agenda items 1-7, except 5. Seconded by Councilor Scagnelli. Vote: Motion carries unanimously with six (6) in favor and zero (0) against.***

Councilor Frey asked to pull 7-5 from the consent agenda. He asked how we did the bidding process. Why are we spending \$25,000 when we're laying-off officers. Why do we need a motorcycle they already have two. Why did we pick a Honda, where will it be serviced?

Commander Wheeler stated those are the bikes the grant awards. It will be serviced in Prescott Valley or Flagstaff. That's why we got rid of the Harley Davidsons. When we first got them they were serviced in Mesa, they changed ownerships that were not so friendly to law enforcement. The last place we took them to we didn't get good service and we were losing a bike for two weeks off the road. The service records with a lot of agencies in the Valley are very good and they've been using Hondas. The motor officers have done a good job since 2007. We're reduced the traffic accidents over town. We are seeing that the citations numbers are also going down. So because of the education and enforcement of having them out there, people appear to be driving better because our citations and accidents have gone down.

Councilor Frey stated the traffic data summary he has is just on the motorcycles?

Commander Wheeler stated he's not sure where the information came from.

Councilor Frey stated he's going to vote no, so he'll drop it.

Councilor Colquitt stated it's a grant. Where is the money coming from?

Commander Wheeler stated it's coming from the Governor's Office of Highway safety.

***Councilor Colquitt moved to approve item 7-5 of the consent agenda. Seconded by Mayor Adams. Vote: Motion passed five (5) to one (1). (Councilor Frey opposed).***

**8. Discussion/possible action concerning establishment of a funding cap for the City's contribution to the Barbara Antonsen Memorial Park and Pavilion and direction to staff to proceed to bid.**

Tim Ernster stated last October, Council approved a partnership with Friends of Posse Grounds. The project involved construction of an amphitheater with amenities. The approval stated a cost estimate would come to Council and Council would make a decision at that time. Plans are 60% complete. Both the architect and Friends have been working with staff on a cost estimate. There were a number of items staff requested be included in the design that weren't part of the original project. Some items requested by staff provide a benefit for a larger area in the park. He recommends Council authorize staff to finish the design and put the project out to bid. He's not asking them to establish a cap at this point because it's premature. It's being done in conjunction with the Heritage Fund Grant. This project would fulfill that commitment to state parks. The City's share will be paid for by park impact fees. Once we have a firm cost for the project, bring it



back to Council and at that time you can decide to establish a funding cap on the City's share.

Andi Welsh stated if Council decides to move the project forward, Friends have a contract ready to go for \$40,000 to complete the engineering for the project. They will complete the design and it will be handed over to staff who will put it out to bid. Then we'll present it again to Council.

Madeleine O'Callaghan stated there is a lot of support behind this project. Supporters have come to tell you the reasons the park is important to them and Sedona. For the sake of time, she'd like to call the names of the people here in support, so they all don't. We are all here to ask you for a vote to put the park out to formal bid.

Mayor Adams stated you can all speak, but he thinks there are probably people who will say the same thing.

Thom Stanley, Cornville, stated he's been here 20-plus years. If there has ever been a need it needs to work now. He's asking on behalf of people who love the park and do this kind of work and puts on these events to move forward with the park.

Stephen Schwartz, Sedona, thanked Council for undertaking this. This is a community that has been in need of a gathering place and a space for art and entertainment and people to gather and express themselves. He thinks this is a fantastic venture. It's great that we can do this with funds that are earmarked for this purposed.

Albert Harclerode, Sedona, stated there have been many projects that have come up and many that have gone down. This space is small; it's sustainable and holds many partnerships for nonprofits in our community. This is something that's worthy of your support. He encourages them to move this along.

*Mayor Adams brought it back to Council at 5:45 p.m.*

Mayor Adams stated the reason it didn't go to bid before it was brought to Council was concern that \$40,000 was spent on design then find out Council wasn't supportive, is that correct?

Tim Ernster stated in the agreement, it required staff to return to Council for council to review the cost and make the determination as to whether or not we should move forward. It'd be more appropriate to put it out to bid first because there's such a wide range.

Mayor Adams stated he's not sure why a cap was put on it in the first place.

Andi stated she requested Parks & Recreation provide a recommendation to Council with a cap because that was part of the agreement. But because of the wide range of the

pricing we thought it best to go out to bid first.

Councilor Scagnelli stated we'd have to pay back the Heritage Funds if we didn't go forward with this project.

Tim Ernster stated that's correct. This project would fulfill our requirement to State Parks. We have two more years to complete this project.

Councilor Scagnelli stated that \$586,000 is in development impact fees specifically set aside for park projects. There's \$1.7 million in there. Do we have any other plans to use those fees for anything pending?

Andi stated no.

Councilor Scagnelli asked how much the Friends have pledged for this project. Andi stated approximately \$100,000. She knows they're still moving forward with fundraising.

Madeleine O'Callaghan stated we have more than \$100,000 in the bank. We're going to put some money out now for the rest of those things. More money has come in. We have some outstanding pledges that are starting to come in. There's an art part of this that can be done with commemoration and timeline history and we're continuing to raise money to make that happen.

Councilor Scagnelli stated we added things like fire hydrant, water pipe.

Andi stated the Fire District is requiring adding a fire hydrant and the water line needs to be brought down Posse Ground Road. We're not saying the Friends are responsible for putting in the fire hydrant, but if the project moves forward, it must be done in conjunction. There will be bathrooms that will only be open if the facility is being used.

Councilor Colquitt stated it's a little cloudy as far as the money. She supports this project. She wants to find the quickest way to get it off the ground and protect it. There's tremendous support from the community. What's the quickest way to get it off the ground? She just wants it to go forward.

Tim Ernster stated staff is asking Council to direct staff to finish the design and go out for bid.

Andi stated she doesn't have a firm time frame for how long that would take. When staff has received the information for review we've been able to turn around in two weeks or less. We have three years to expend the funds and that was approved in August of last year so we have two years remaining to complete it.

Councilor Frey stated he's been on and off Council since June 2004. Let's just move forward. We have the funds we have to use. Why spend 5 more minutes let's make a

motion and get it over with.

Councilor DiNunzio asked if the development impact fees have a sunset also?

Tim Ernster stated if the City doesn't spend them in the near future there's a possibility that the City will have to reimburse the fees.

Alison Zelms stated there are a lot of regulations related to all of the development impact fees we hold. The parks and recreation funds we collect, collected as an impact to parks and recreation are held in their own fund. After a certain amount of time someone who paid it can request the fee be returned to them. After 10 years it becomes a lot more black and white. Within 12-24 months we're getting close to some of those first fees coming into that timeframe.

Councilor DiNunzio asked if all the Parks and Recreation impact fees are earmarked for specific projects.

Alison Zelms stated they need to be spent on parks and recreation capital projects that have a benefit on those who paid the impact fees. You couldn't use them to operate another park, you can't use them to paint a building, and it needs to be capital project related to development. There's \$1.76 million available that we've already collected. You could use all of them for this project.

Councilor DiNunzio stated Parks & Rec recommended that we add the cap, if we go forward without a cap, do we step on the toes of Parks & Rec or is it clear what our next step is?

Andi stated it's clear that if it looks like the city's contribution is over \$600,000 they're provided an opportunity to look at it.

Tim Ernster stated Parks & Recreation is an advisory commission to Council.

Vice Mayor Hamilton stated his main concern is that we make sure everyone understands the game plan. Is there a ballpark time frame for finishing the design?

Kathy Shriver stated we're looking at through the increased requirements, at about 90 days in the engineering area. The design is about 90% completed. The 60% is taken into account the engineering and studies that are being required.

Tim Ernster from the time the project is advertised for the time the bid is awarded it'll be about 90 days. We're required to provide State Parks periodic updates. As we move forward with this project, if it appears we're pushing up against the three-year window, as long as they know we're making progress, if it were necessary to extend that timeframe they'd work with us on that.

Mayor Adams stated last year we had a smaller discussion about this. We were talking about design fees of \$20,700, now he hears \$40,000.

Madeleine O'Callaghan stated we have to come up with design fees for the water line that has to be added. Staff has taken away the cistern where we were going to collect water so we need a more thorough study on drainage. The desire is to bring the community a completed project. This fire hydrant has been asked for since 2001. There will be ongoing efforts by the friends to raise money.

***Councilor Scagnelli moved to direct staff to put the Barbara Antonsen Memorial Park project out to formal bid. Seconded by Councilor Colquitt. Vote: Motion carries unanimously with six (6) in favor and zero (0) opposed.***

***10 minute break (6:07-6:17 p.m.)***

**9. Discussion/possible action on the City's role in assisting Red Rock State Park operations, including possible financial assistance.**

Tim Ernster stated we've held meetings for the past three months searching for a way to identify enough funding to keep the park open after June 3. It has been necessary for State Parks to close a number of parks around the state. We've had meetings with representatives of the business community around Sedona. We've had discussions with Supervisor Chip Davis. We still don't have a firm number of a true deficit that would have to be addressed to keep the park open. We've met with the manager of Red Rock State Park. Today we had a conference call with Chip Davis. The problem we have is we just went through a series of deep budget cuts. Two weeks ago eight positions were cut. We had to reduce the staffing in the parks department and cut spending. It's difficult for him to recommend to Council using its scarce city funds to keep this park open. He hopes there are other alternatives that can be developed to keep the park open.

Mayor Adams stated he and Tim Ernster have been working on this together. We started discussions with State Parks to see what needed to be done last fall. The first focus we did was try to solicit support for legislation to keep the parks open. One piece was to increase the license fees and registration with additional money going to state parks. Another piece was to divert money that is in the Growing Smarter fund to State Parks. The third piece was a voluntary contribution along with license fee and registration. We went to NACOG, the League of Cities and Towns to solicit support. Unfortunately that legislation has died. The only thing still out there is voluntary collections. We don't have faith that that will keep all the parks open. The idea came up of utilizing an event planner that would do events at the park. It's a legitimate organization. One of the principles was the principle event planner for Soaring Eagle. They felt as though if they could be the event planner that had sole access to the park, they think they could put together an event in the fall that would raise over \$100,000. Right now there is a license fee of \$50 to hold a wedding out there. They feel it should be closer to \$800-\$1,000. The event planner wouldn't cost the city anything. We'd need to go out with an RFP for an event planner.

We're probably going to have to do an IGA with State Parks in order to operate the gift shop and the gate. The profit from that goes back to state parks; it doesn't stay at the park. The proposal here, it's not up to Council. Tonight we're deciding if we take money out of the city budget to support the park. The alternative is using an event planner to generate revenue out there.

Tim Ernster stated the director of State Parks, Renee Bahl, is here.

Renee Bahl stated Arizona state parks are in trouble. As the economy in Arizona dwindled, the state leadership looked to your state parks to refill their coffers. Since 2009 their budgets have been swept by \$71 million that includes loss of the State Parks Heritage Fund. We should have a \$30-40 million operating budget. We'll be lucky to have a \$12.5 million operating budget. Nine (9) parks should remain open and funded by Arizona State Parks. Eight (8) parks will be funded by an entity. Four (4) parks are permanently closed. 2 have an extended closing date until September. We have 5 parks slated to close June 3, including Red Rock State Park. If it were operated from June 3 to the end of June next year at our current operating level its \$160,000 gap. That's what it'd cost. We still have the legislature in session and budget bills that loom. The donation bill has died in the Senate. Most critical is HB2464, this will devastate what we have left of the park system if it passes. It started as a bill that forced State Parks to lease Lake Havasu Park to the city. We use the revenues we bring in from all our parks to operate the system. Now it's revenue from the parks that are keeping Red Rock Park open. The bill was amended with 5-6 amendments today. When our park system is open and operating we're generating \$266 million. Red Rock contributes \$17 million of that. Slide Rock contributes \$30 million to that. Our wastewater treatment plant and restroom capital project at Slide Rock is almost complete. She's here to ask for help. She knows it's not the city's responsibility to keep the park open and she knows the park is out of city limits.

*Mayor Adams opened it to the public at 6:34 p.m.*

Danny Hoodak, lives in Red Rock State Park right now, stated this is the only park in the U.S. we work at because it's so special. He works the entry gate and his wife works the visitor center. The visitors are gaga when they show up. When they get out of the car, they stop. It's gorgeous. You walk around, you look at the trees, and you look at the rocks. It transforms visitors because they come back outside and tell him how glad they are they went in. School kids come in every day in buses. This nature that our park can give them is very important and we don't want to lose that.

Patrick Hickey, Sedona, stated his favorite topic is what Sedona wants to be when it grows up. This would be a step toward diminishing it. It opens minds and encourages people to want to return here. He doesn't want to see this lost because we're sinking toward oblivion. The amount of funds it costs to operate it compared to what it brings to the community cannot be outweighed.

Shelly Stell, VOC, stated she was looking for a sense of community and trails. When she told people Sedona was on the list of places she was going to check out, people said don't bother. She decided to check it out herself and was blown away by the scenery and the awesome trails but she had a hard time finding that sense of community. Then she heard and read more about Red Rock State Park. We move to a town because we're attracted to the community but we put down roots because of the sense of community. If we want to attract younger generations and keep them here then we need to not shut down things that keep them here. In the two years she's been here it's transformed here.

Jacquelyn Powers, Sedona, she brought each of them a mug with a dime in it because the park has been a great contributor to Sedona without every asking for a dime. Our city manager has said that the community hasn't demonstrated an outpouring of support to keep the park open. She disagrees. The park has always demonstrated an outpouring of support to the city. For years no one knew what the park contributed to the area financially. A study showed the park contributed over \$17 million in 2007 alone. In 2004 a group called Benefactors of Red Rock Park was formed. They created wheelchair accessibility, annual \$1,000 scholarships given to graduates of Red Rock High School. The park and the benefactors have never asked you for a dime. All of Red Rocks major projects were funded by the community. If that's not community support she doesn't know what is. We need to ask the city for help but not for long and not for a lot. We just need a little time. Next year will be 20 years the park has contributed. Help us stay open. Come to our 20-year celebration next year, not to our funeral.

Birgit Lowenstein, Sedona, stated there's a misconception that the community doesn't care about this park. The people who love it are the quiet sort. She passed out cards for Council. She collected 100 signatures in a very short time. One of the cards was written by a 9 year old boy, unprompted. He wrote his school is going on a field trip to the park soon and he might have his birthday there. Another card reads our family and out of state visitors have found our park a benefit to quality of life. We can't contemplate the loss of our park please do all you can to retain this treasure. Dear City Council members it would be a terrible loss to our community to close the park. Please keep it open for our community and visitors.

Claudine Mohny read letter from Karen Hatler, Sedona, perhaps the park's greatest resolution is its environmental programs. The preservation of the pristine areas still left in our country is essential. The educational opportunities are varied and not available elsewhere. They come to experience classes and hikes. They see a broad spectrum of botany.

Brenda Robertson, Sedona, stated 7 folks had to leave to guide moonlit walks. She asked those who support the park to stand up. Budgetary constraints have made council and staff make difficult decisions. Volunteers annually teach over 1,500 school children and interact with 70,000 tourists. These tourists spend and generate millions of dollars. We have 109 volunteers? Since the park's inception volunteers have donated almost a quarter of a million hours. Most are retirees. Bankers, two dentists, a psychiatrist, four university

professors, teachers, computer analyst, a lawyer. Volunteers conduct 363 nature hikes, 200 nature programs, 104 birding hikes, 21 moonlight hikes. We haven't had time to promote the ways our parks contribute to Sedona's economy; it seems ironic that the park generates large sums of money for the city and those same volunteers pay taxes that further funds city services. Volunteers know the parks uniqueness and value so do the visitors. Park volunteers want the park to stay open so we can continue with our work.

Claudine Mohny stated it's been since early March since we started fundraising, we've raised \$16,000 and an additional \$15,000 from our fundraiser on April 15. Today we had a visitor who put in a check for \$2,500 to the benefactors. We're hearing people who would donate but they want to make sure the park is staying open. We're looking for a way to keep the pad lock off to explore options. We have a lot of things that could be destroyed once it closed.

Catherine Weld, Sedona, stated she's an educator. This meeting started speaking of youth week; she heard partnership, inspiration, responsibility. That made her think of the park. This is an unique area that offers unique programs to the students. Unless we raise them to get off their computers and experience nature and their responsibility to the future of our environment. Help us raise the funds to keep this park open. She's taken a fifth grade class up Eagles Next. As we reached the crest the sliver of the moon just rising and an awesome view of the moon. For a fifth grade student to experience the awe in nature can change their lives. She's taken students on geology hikes. Time and space become a new concept for them. Lead the way as our leaders.

Max Licher, Sedona, is a botanist who volunteers at the park. There are 545 different species of plants in Red rock State Park, almost the entire species of plants in the Amendment 12 area can be found in the small park area. You realize the value of this one particular piece. Find a way to contribute some money tonight. We're not asking the city to take over the park forever. The park needs a year or two blessing. It shouldn't be competing with the police department or anything else the city is normally doing. That's why the reserve funds are appropriate. It will allow other explorations to happen and who knows what may come of that. If you can find if of yourselves to pull some funds out of a different pot of money and contribute to this.

Marty Losoff, Sedona, stated what prompted him to speak was that the city manager wasn't supporting this project because there wasn't public outcry. He thinks there is a lot of support out there but we're not loud. If it means a difference and you want to challenge us, how many signatures do you need? He challenges you all to see where some money can come from. The park is asking for some money that says the city is in support of the park. If you can come up with something from reserves, look at your priorities, look at all the agencies you're funding and see if you can take some to say that you support the park. He likes the mayor's ideas of event planning. If it were put before the public, he would venture to say there'd be a strong priority for Red Rock State Park before building a new park at Posse Ground.

*Mayor Adams returned to Council at 7:07 p.m.*

Mayor Adams stated we all support the project, it's a budgetary issue.

Vice Mayor Hamilton stated the gap is \$160,000 and the county put in \$30,000 and the benefactors put in a certain amount and some comes from gate receipts and some from the gift shop, do those items reduce that gap?

Renee stated the \$160,000 gap is the difference between the operating costs and the gate cost we bring in. That gap would be reduced if the county or benefactors put in their money.

Vice Mayor Hamilton asked how willing is State Parks to work situation to situation. Can the money from the gift shop go to this?

Renee stated by State statute no, money from the gift shop is used to purchase additional items for the gift shop. We don't make a profit. The money is used to pay the employees at the gift shop. By statute she can't use that money to do anything other than gift shop.

Vice Mayor Hamilton stated as he looks at city options, the Roadrunner costs us \$80,000 a year that's empty most of the time. We give the chamber almost \$500,000 can we take some out of that? Could we assemble a piece of money from taking a little here and there?

Tim Ernster stated that's an alternative. You have a meeting May 6 to discuss funding to outside agencies. You could consider State Parks as an outside agency in your process of allocating those funds.

Vice Mayor Hamilton stated if the money the benefactors have raised and the county promised money could those be used to buy time to delay closure or is it all or nothing?

Renee stated we can work with anything. There's nothing set in stone. If there were a true commitment we could figure out what the closing date is.

Vice Mayor Hamilton asked if there's a problem with a moving closing date.

Renee stated it's a problem for the public. People can't remember if it's opened or closed and they stop coming. It's only fair to staff to know what their future is. She prefers not to give a hard and fast date but we can't do it month by month.

Vice Mayor Hamilton stated how amendable is State Parks to bending what's tradition to look at creating ways to keep it open?

Renee stated she's been with the department for less than 11 months so to her nothing is off the table. We'd need to look at things like the patent. Whatever we need to do within



reason of the vision and mission that's what we can do. We don't need to operate as we have in the past.

Councilor DiNunzio asked if the actual operating cost of the park is \$330,000.

Renee stated yes.

Councilor DiNunzio stated in talking about how the city spends money in the community, we don't give the Chamber anything; we contract for services with the Chamber. We can reduce those services and free up money. We don't fund them as a charity. He didn't realize what a significant educational and cultural benefit the park is. He's moved by what he's hearing tonight. We ought to take a look at this as an exception. It's a quiet resource. We're hearing from the people who believe in this and are giving of their time. The city could dedicate money in its contingency fund to the park and he's presuming the \$330,000 isn't going to be impacted, so the gap remains \$160,000. It can't grow can it?

Renee stated it can grow if the revenues drop. The expenditures is what she has the most control over.

Councilor DiNunzio stated if the State cuts the budget to something lower than \$12.5 million? The City ought to participate in keeping the park open. If the park closes it will deteriorate and be much more difficult to reopen.

Mayor Adams stated we have the option of tabling this decision. We're about to move into budget discussions. Right now we're proposing a 10% decrease from last year to all non-profits which is putting a terrible bind on all of them. There isn't anything in the budget where we have discretionary money available. He's concerned with the possibility of that gap widening. He has concerns about committing funding without knowing what that gap will be. We have the option of moving forward with the event planning. Do you see problems with that now?

Renee stated no one is going to plan an event or sign a contract if they don't know if the park is open.

Mayor Adams stated the county has \$30,000. The benefactors have \$20,000, so we could extend the park closing date in which time we could put the plan in place.

Renee stated she doesn't know if the county has committed that. We'll run the numbers and see how long that will keep the park running.

Mayor Adams we have options now to keep the park open while we put together another plan. He thought there was the possibility to enter into an IGA to keep the gift shop profits in the park.

Renee stated we could enter into an agreement for a private entity to run the gift shop.

Mayor Adams suggested we table this.

Councilor Scagnelli stated she's fine with tabling it. When we were talking about money for Barbara Antonsen Park that comes from development impact fees, we couldn't use the money for this.

Tim Ernster stated that's correct. The issue of outpouring of community support. He regrets putting that in the council communication. Three months ago we had meetings with the business community, lodging council and asking them how important was the park to their business and would they be willing to work with the city. The answer we got back was that the park is an important component; they didn't feel the park would have a significant impact on their business. In their mind it's not the reason people come here.

Councilor Scagnelli stated when we talk about closing the park are they going to let these things fall apart?

Renee stated we're securing the buildings, emptying the wells, turning off the electricity. We'll go in periodically to check for anyone who's moved in but there won't be regular presence there.

Councilor Frey asked if anyone has approached Coconino County because they're so fiscally responsible.

Tim Ernster stated not to his knowledge.

Councilor Frey stated what about the school district?

Tim Ernster stated we haven't contacted them.

Councilor Frey stated we could cut \$4,200 from Council budget that we can cut.

Renee stated our Parks Board will meet May 19 and will take action on that day if any park isn't going to close June 3.

Councilor Frey stated he has a question about the Heritage Fund, what was it for?

Andi stated the \$586,000 for the Cultural Park was used for the trailhead that is still open.

Tim Ernster stated we'd have to ask the State if we could tweak those Heritage Fund to do this. The development impact fees can't be used for operation.

Alison Zelms stated we already used the Heritage Funds. They were spent to develop the

Cultural Park. We might be able to buy the park with development impact fees, but we can't operate it with impact fees. You can't play with the \$1.7 million.

Tim Ernster stated if the city wants to invest funds into the state park you consider it as an outside agency and reallocate funds amongst the outside agency or you use some of your cash reserves.

Mayor Adams stated the time to look at that is during budget talks.

Councilor Colquitt stated she agrees. How much do we have in a contingency fund?

Tim Ernster stated \$9.2 million.

Councilor Colquitt stated how much have we dipped into reserves.

Tim Ernster stated \$800,000 for 08/09 and it's appearing we'll be close to even this year. The cash reserves were used for covering operating costs. There aren't restrictions on how to use those reserves.

Alison Zelms stated we have already lost 15% for state shared revenues. In the next fiscal year we're looking at a 20% reduction in income tax. We're also lost all of our LTAF funds that went to support the streets funds. The total amount of lost funds is \$750,000 total in the past two years.

Tim Ernster stated we're projecting 10% across the board for outside agencies. Internally we cut our budget about 17%. We're in the process of meeting with the agencies this week. We'll have a recommendation at the budget meeting. The 10% is equivalent to \$140,000.

Councilor Colquitt stated although the reserve is healthy and it's above what we'd propose to have as a reserve. She can promise you the room can be filled up with every one of the non-profits that are going to be cut and that's what the Council will deal with. It should be tabled and brought up at the budget meeting next week.

Vice Mayor Hamilton stated the situation isn't going to go away if we fix this one year. We'll be doing this for 4, 5, 8 years.

Renee stated there's a lot of support for parks to have a sustainable funding source. If we continue to rely on legislative appropriations it will be a problem. Most of our contracts are three-year agreements with options to renew.

***Motion: Councilor DiNunzio moved to table the issue for staff and Council to work through the budget process for May 4th, 6th, and 7th. Councilor Colquitt seconded. Vote: Motion passes unanimously with six (6) in favor and zero (0) opposed.***

**10. Discussion/possible action on a request for City support of a concept for enhanced aesthetic design at the SR 179 and I-17 interchange and possible involvement in a small working group that will request that ADOT consider an enhanced aesthetic design for planned improvements to the interchange.**

The presenter asked Council if they preferred to table the item to the next Council meeting due to the meeting running later than planned.

Council agreed to table item 10 to the May 11 Regular City Council meeting.

*Tabled to the May 11, 2010 agenda*

**11. Discussion/possible action on a pedestrian marking plan for Uptown Sedona.**

Andi Welsh stated the request is to add some markings in Uptown directing people from the Uptown parking lot via Jordan Road and the Wayside Chapel through a handicap ADA route. The issue came up during the enhancement project but wasn't implemented. The Main Street Board unanimously supports the proposal we put together.

*Vice Mayor Hamilton opened it to the public, not seeing any, brought it back to Council.*

Councilor Frey asked if we can vote on it because it's been going on for years.

Vice Mayor Hamilton asked how will someone know what the dots are.

Andi stated when the transit stop is moved to the Uptown parking lot we were going to move the sign there to walk and follow the dots.

Dan Neimy stated the dots work in concert with way-finding signs.

***Councilor Frey moved to approve the Uptown pedestrian path concept. Seconded by Councilor Scagnelli. Vote: Motion carries unanimously with six (6) in favor and zero (0) opposed.***

**12. Discussion/possible action on a resolution and ordinance modifying Article III and Article VI of the Employee Manual for pre-employment screening procedures and post-accident testing and inclusion of an Ethics Statement.**

Tori Ward stated we're here to request modifications and additions to current employee manual. The most significant change applies to background screening and add language to do drug testing to certain positions.

Councilor Frey stated in addition to current practices do not include drug screenings for safety sensitive positions with the exception to police officers.

Tori stated police officers are tested now when they're hired not after an accident. If you look at Article VI 07E 1 and 2 it's there.

Councilor DiNunzio stated he had a question on ethics and integrity. What do we do for new employees with regard to indoctrinating them into our culture and what integrity means. Do we have a formal indoctrination?

Tori stated we have a new employee orientation. Employees are products of environments we work in. We hold supervisors to a high standard and they hold their employees to a very high standard. There's a question on every review that says how does this employee demonstrate core values?

***Councilor Colquitt moved to approve a resolution creating public records setting forth changes to Article III and Article VI of the Employee Manual. Seconded by Councilor Frey. Vote: Motion carries unanimously with six (6) in favor and zero (0) opposed.***

*Mayor Adams brought it to public before the vote at 7:51 p.m., not seeing any he brought it back to Council.*

Mike Goimarac read Ordinance No. 2010-08: *An ordinance of the city of Sedona Arizona amending Article III and Article VI of the Sedona employee manual to provide for pre-employment screening procedures and post-accident testing and inclusion of an ethics statement.*

***Councilor Colquitt moved to approve Ordinance No. 2010-08, amending Articles III and VI of the Sedona Employee Manual. Seconded by Councilor Frey. Vote: Motion carries unanimously with six (6) in favor and zero (0) opposed.***

### **13. Presentation/discussion/possible action on intergovernmental relations with the Arizona Legislature.**

Alison Zelms stated as of today 1,253 bills have been introduced, 147 of those have passed. Four have been vetoed with the rest of them being signed. There are only a few things that are still outstanding. One is HB1239, which makes residential rental a special category requiring a vote of the people to increase the tax. The League has taken a position against that since it erodes local control of local taxes. The 1070 immigration bill was signed into law on Friday. We are following with the League what that will mean for cities and towns. All the attacks on our ability to have local control of self-collection of sales tax, none of those have been successful, unless something really strange happens it's unlikely anything will happen with that.

*No legal action was taken.*

### **14. Discussion/possible action on future meeting/agenda items.**

Mayor Adams stated we'll have budget discussions May 4, 6, 7 from 2:30 p.m. to 7:00 p.m.. Councilor Frey stated he won't be here on May 4. On May 11 we'll have regular Council. There'll be a 4:00 p.m. open house for outgoing council.

*No legal action was taken.*

- 15. Upon a public majority vote of the members constituting a quorum, the Council may hold an Executive Session that is not open to the public for the following purposes:**

- (1) To consult with legal counsel for advice on matters listed on this agenda per A.R.S. §38-431.03(A)(3).**
- (2) Discussion or consultation with legal counsel in order to consider its position and instruct its legal counsel regarding the City's position in the following pending or contemplated litigation or contracts that are the subject of negotiation, or settlement discussions in order to avoid or resolve litigation per A.R.S. §38-431.03(A)(4), specifically:**

- i. Sedona Grand L.L.C., v. City of Sedona, Yavapai County Superior Court Case No. 820080129.**

*No executive session took place.*

- 16. Following any discussions in executive session of the above matters, the City reserves the right to discuss and/or act on any of the above listed legal matters in open session.**

*No executive session took place.*

- 17. Return to open session. Discussion/possible action on executive session items.**

- 18. Adjournment:**

Mayor Adams adjourned the meeting at 7:55 p.m. without objection.

Respectfully Submitted,

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Alison E. Carney, Recording Secretary